



Larry Fenster
Senior Economist
Law and Public Policy
1133 19th St., NW
Washington, DC 20036
202-736-6513

September 29, 2003

Marlene Dortch
Secretary
Federal Communications Commission
445 12 St., S.W.
Washington, D.C. 20554

**Re: Ex Parte, Implementation of the Pay Telephone Reclassification and
Compensation Provisions of the Telecommunications Act of 1996, CC Docket
No. 96-128.**

Dear Ms. Dortch:

On September 26, 2003, Larry Fenster met with Dan Gonzalez, Senior Legal Advisor to Commissioner Martin to discuss the Payphone Compensation Order currently on circulation.

The attached presentation was used to illustrate MCI's contention that proposed third party verification procedures would establish a reliable payphone compensation regime for switch-based resellers who directly compensate payphone service providers, and would not be any more regulatory than the Commission's original verification requirements.

If you have any questions, please contact me at the number listed above.

Sincerely,

Larry Fenster

Larry Fenster

cc: Dan Gonzalez